

COMPREHENSIVE ANNUAL FINANCIAL REPORT

TOWNSHIP OF EATON

EATON COUNTY, MICHIGAN

MARCH 31, 2005

RECEIVED
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AUG 26 2005

AUDITING PROCEDURES REPORT

Issued under P.A. 2 of 1968, as amended. Filing is mandatory.

Local Government Type <input type="checkbox"/> City <input checked="" type="checkbox"/> Township <input type="checkbox"/> Village <input type="checkbox"/> Other		Local Government Name EATON	LOCAL AUDIT & FINANCE DIV.	County EATON
Audit Date 3-31-05	Opinion Date 8-10-05	Date Accountant Report Submitted to State: 8-25-05		

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan by the Michigan Department of Treasury.

We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.

We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations

You must check the applicable box for each item below.

- ☐ yes ☒ no 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements.
- ☐ yes ☒ no 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980).
- ☐ yes ☒ no 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended).
- ☐ yes ☒ no 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act.
- ☐ yes ☒ no 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]).
- ☐ yes ☒ no 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit.
- ☐ yes ☒ no 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year).
- ☐ yes ☒ no 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241).
- ☐ yes ☒ no 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95).

We have enclosed the following:

	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.			<input checked="" type="checkbox"/>
Reports on individual federal financial assistance programs (program audits).			<input checked="" type="checkbox"/>
Single Audit Reports (ASLGU).			<input checked="" type="checkbox"/>

Certified Public Accountant (Firm Name) JAMES M. IRELAND, P.C.			
Street Address 6920 S. CEDAR ST., SUITE #3	City LANSING	State MI	ZIP 48911-6924
Accountant Signature James M. Ireland, CPA			

TOWNSHIP OF EATON

TOWNSHIP BOARD

James Droscha	-	Supervisor
Jean Morton	-	Clerk
Rebecca Dolman	-	Treasurer
Ashley Dolman	-	Deputy Treasurer
Ron Hunt	-	Trustee
David Bankhead	-	Trustee

TOWNSHIP OF EATON
EATON COUNTY, MICHIGAN

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JAMES M. IRELAND, P.C.
CERTIFIED PUBLIC ACCOUNTANT
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Independent Auditor's Report

Members of the Township Board
Township of Eaton
Eaton County, Michigan

Board members:

We have audited the accompanying general purpose financial statements of the Township of Eaton as of and for the year ended March 31, 2005, as listed in the table of contents. These general purpose financial statements are the responsibility of the township's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Township of Eaton as of March 31, 2005, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

James M. Ireland, P.C.
Certified Public Accountant

August 10, 2005

TOWNSHIP OF EATON
STATEMENT OF NET ASSETS

March 31, 2005

	<u>Governmental Activities</u>
<u>Assets</u>	
Cash	\$ 765,535
Investments	821,823
Receivables	176,182
Capital assets:	
Land	52,254
Other capital assets, net of depreciation	<u>444,055</u>
Total Capital Assets	<u>496,309</u>
Total Assets	2,259,849
<u>Liabilities</u>	
Deposits	<u>-</u>
<u>Net Assets</u>	<u>\$ 2,259,849</u>
<u>Net Assets</u>	
Invested in capital assets, net of any related debt	496,309
Unrestricted	<u>1,763,540</u>
Total Net Assets	<u>\$ 2,259,849</u>

See accompanying notes to financial statements.

TOWNSHIP OF EATON

STATEMENT OF ACTIVITIES

For the Year Ended March 31, 2005

Functions/Programs	Expenses	Program Revenues Charges for Services	Net (Expense) Revenue and Changes in Net Assets Governmental Activities
Primary government:			
Governmental activities:			
General government	\$ 178,000	\$ 14,460	\$ (163,540)
Public safety	75,048	2,333	(72,715)
Public works	203,038	-	(203,038)
Health and sanitation	8,976	-	(8,976)
Culture and recreation	21,000	12,459	(8,541)
Total governmental activities	<u>\$ 486,062</u>	<u>\$ 29,252</u>	<u>\$ (456,810)</u>
General Revenues:			
Taxes:			
Property taxes, levied for general purposes			151,621
State shared revenue			277,718
Unrestricted investment earnings			28,237
Miscellaneous			<u>2,219</u>
Total general revenues			<u>459,795</u>
Change in Net Assets			2,985
Net Assets - April 1, 2004			<u>1,760,555</u>
Net Assets - March 31, 2005			<u>\$ 1,763,540</u>

See accompanying notes to financial statements.

TOWNSHIP OF EATON
BALANCE SHEET - GOVERNMENTAL FUNDS

March 31, 2005

	<u>General</u>
<u>Assets</u>	
Cash	\$ 765,535
Investments	821,823
Receivables, net	64,206
Due from other funds	<u>111,976</u>
<u>Total Assets</u>	<u>\$ 1,763,540</u>
<u>Liabilities</u>	
Accounts payable	\$ -
Fund balance:	
Unreserved	<u>1,763,540</u>
<u>Total Liabilities and Fund Balance</u>	<u>\$ 1,763,540</u>

See accompanying notes to financial statements.

TOWNSHIP OF EATON

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - GENERAL FUND

March 31, 2005

<u>Revenues:</u>	
Taxes	\$ 151,621
Licenses and permits	12,459
State grants	277,718
Charges for services	16,793
Miscellaneous	30,456
	<hr/>
Total Revenues	489,047
<u>Expenditures:</u>	
General government	163,805
Public safety	75,048
Public works	203,038
Health and welfare	8,976
Culture and recreation	21,000
Capital outlay	5,821
	<hr/>
Total Expenditures	477,688
	<hr/>
Excess (Deficiency) of Revenues over Expenditures	11,359
Fund Balance, April 1	1,705,213
Adjustment to opening balance	46,968
	<hr/>
<u>Fund Balances, March 31</u>	<u>\$ 1,763,540</u>
Net change in fund balances-total governmental funds, above.	<u>\$ 11,359</u>
Amounts reported for governmental activities in the statement of activities (Page 3) are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays (\$5,821) were less than depreciation (\$14,195) in the current period.	
	<hr/>
Change in net assets of governmental activities, Page 3.	(8,374)
See accompanying notes to financial statements.	<hr/>
	\$ 2,985

TOWNSHIP OF EATON
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS

March 31, 2005

	<u>Agency Funds</u>
<u>Assets</u>	
Cash	\$ 149,070
<u>Total Assets</u>	<u>\$ 149,070</u>
<u>Liabilities</u>	
Due to general fund	\$ 111,976
Due to other governmental units	37,094
<u>Total Liabilities</u>	<u>149,070</u>
<u>Net Assets</u>	<u>\$ -</u>

TOWNSHIP OF EATON
NOTES TO FINANCIAL STATEMENTS

March 31, 2005

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

In accordance with generally accepted accounting principles and Governmental Accounting Standards Board (GASB) Statement No. 14 "The Financial Reporting Entity", these financial statements present the Township of Eaton and its component units. The criteria established by the GASB for determining the reporting entity includes oversight responsibility, fiscal dependency, and whether the financial statements would be misleading if data were not included.

Basis of Presentation

The accounts of the government are organized and operated on the basis of funds and account groups. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements. Account groups are a reporting device to account for certain assets and liabilities of the governmental funds not recorded directly in those funds.

The financial activities of the Township of Eaton are recorded in separate funds and account groups, categorized as follows:

GOVERNMENTAL FUNDS

General Fund

This fund is used to account for all financial resources except those provided for in another fund. Revenues are primarily derived from property taxes, State and Federal aid, and charges for services to provide for the administration and operation of: (1) general governmental departments, boards and commissions; (2) law enforcement; and (3) health, welfare and medical assistance. The fund includes the general operating expenditures of the local unit.

FIDUCIARY FUNDS

Trust and Agency Funds

These funds account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. These include: (a) Expendable Trust Funds; (b) Nonexpendable Trust Funds (c) Pension Trust Fund; and (d) Agency Funds.

TOWNSHIP OF EATON
NOTES TO FINANCIAL STATEMENTS

March 31, 2005

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

ACCOUNT GROUPS

General Fixed Assets Account Group

This Account Group presents the fixed assets of the local unit utilized in its general operations (nonproprietary fixed assets).

Fixed assets used in the general operation of the township are recorded as expenditures when purchased and are accounted for in the General Fixed Assets Account Group. No depreciation is recorded for these general fixed assets. Infrastructure assets, including roads, bridges, drains, curbs, and gutters are not capitalized.

CASH, CASH EQUIVALENTS, AND INVESTMENTS

For purposes of the statement of cash flows, demand deposits and short-term investments with a maturity date of three months or less when acquired are considered to be cash equivalents.

Investments are stated at cost.

BASIS OF ACCOUNTING

The modified accrual basis of accounting is used by all Governmental Funds, Agency Funds and Expendable Trust Funds. Revenue and other sources are recognized in the accounting period in which they become susceptible to accrual--that is when they become both measurable and available to finance expenditures of the fiscal period. Expenditures are recognized when the related liability is incurred. Modifications from the accrual basis are as follows:

- a. Property tax revenue is recognized in accordance with MCGAA Statement 3:
 Properties are assessed and leined as of December 31 and their related property taxes are billed on December 1 of the following year. These taxes are due on February 14 with the final collection date of February 28 before they are added to the county delinquent tax rolls.
- b. Payments for inventoriable types of supplies are recorded as expenditures at the time of purchase.
- c. Normally, expenditures are not divided between years by the recording of prepaid expenses.

Budgets and Budgetary Accounting:

The Township follows these procedures in establishing the budgetary data reflected in the financial statements.

1. Prior to December 1, the Supervisor submits to the Board a proposed operating budget for the fiscal year commencing the following April 1. The operating budget includes proposed expenditures and the means of financing them. The budgets are adopted to the activity level.
2. Public hearings are conducted at the Township hall to obtain taxpayer comments.

TOWNSHIP OF EATON
NOTES TO FINANCIAL STATEMENTS

March 31, 2005

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Budgets and Budgetary Accounting (cont'd):

3. Prior to February 1, the budget is legally enacted through passage of a resolution.
4. Budgets for the governmental fund types and the expendable trust funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).
5. Budgeted amounts are as originally adopted, or as amended by the Township Board.

Comparative Data:

Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the Township's financial position and operations.

Investments:

Investments are stated at cost.

Property Tax and Delinquent Taxes Receivable

Taxes are levied for the Township on December 1. The Township bills and collects its own property taxes. Property taxes not paid to the Township treasurer by the final due date in March are turned over to the County treasurer. The County purchases the delinquent taxes of the Township and normally remits the taxes to the Township the following year. The taxes paid by the county are included as revenue on the Township's books at the preceding March 31 date.

The 2004 Taxable valuation of the Township totaled \$101,131,900 on which ad valorem taxes levied consisted of 0.8474 mills for operating purposes. These amounts are recognized in the general fund.

Delinquent Taxes Receivable

	<u>Taxes</u>	<u>PTAF</u>	<u>Total</u>
2004 Tax Levy	\$85,700	\$29,609	\$115,309
2004 Taxes Collected	<u>80,107</u>	<u>27,853</u>	<u>107,960</u>
2004 Taxes Uncollected	5,593	1,756	7,349
Delinquent Taxes Receivable, April 1	4,436	1,293	5,629
Delinquent Taxes Collected	<u>4,436</u>	<u>1,293</u>	<u>5,629</u>
Delinquent Taxes Receivable, March 31	<u>\$ 5,593</u>	<u>\$ 1,756</u>	<u>\$ 7,349</u>
<u>Summary by Year of Levy</u>			
2004	<u>\$ 5,593</u>	<u>\$ 1,756</u>	<u>\$ 7,349</u>

TOWNSHIP OF EATON
NOTES TO FINANCIAL STATEMENTS

March 31, 2005

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Total Columns on Combined Statements - Overview:

Total columns on the Combined Statements - Overview are captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations or changes in financial position in conformity with generally accepted accounting principles. Nor is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

BALANCE SHEET--CASH AND INVESTMENTS

Deposits are carried at cost. Deposits are in four financial institutions in the name of Eaton Township Treasurer. Michigan Compiled Laws, Section 129.91, authorizes the Township to deposit and invest in the accounts of Federally insured banks, credit unions, and savings and loan associations. Investments can also be made in bonds, securities and other obligations of the United States, or an agency or instrumentality of the United States, which are guaranteed as to principal and interest by the United States, including securities issued by the Government National Mortgage Association; United States government or Federal agency obligation repurchase agreements; bankers' acceptance of United States banks; commercial paper rated within the three highest classifications by not less than two standard rating services which mature not more than 270 days after the date of purchase and which involve no more than 50 percent of any one fund. Michigan law prohibits security in the form of collateral, surety bonds, or other forms for the deposit of public money. Attorney General's Opinion No. 6168 states that public funds may not be deposited in financial institutions located in states other than Michigan. The Township's deposits are in accordance with statutory authority.

The Governmental Accounting Standards Board (GASB) Statement No. 3 risk disclosure for deposits at year end are as follows:

<u>Deposits</u>	
Insured (FDIC)	\$402,234
Uninsured	<u>512,392</u>
Total Deposits	<u>\$914,626</u>

At year end, the balance sheet carrying amount of deposits was \$914,626.

In accordance with GASB Statement 3, investments are classified into three categories of credit risk as follows:

Category 1: Insured or collateralized with securities held by the Township or its agent in the Township's name.

Category 2: Collateralized with securities held by the pledging financial institution's trust department or agent in the Township's name.

Category 3: Uncollateralized (includes any bank balance that is collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the Township's name).

TOWNSHIP OF EATON
NOTES TO FINANCIAL STATEMENTS

March 31, 2005

BALANCE SHEET--CASH AND INVESTMENTS (continued)

<u>Investment Type</u>	(1)	(2)	(3)	<u>Carrying Amount</u>	<u>Market Value</u>
Risk-Categorized Government Trusts	<u>\$821,823</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$821,823</u>	<u>\$824,995</u>

Interfund Receivables and Payables

Interfund receivables and payables as of March 31, 2005 are as follows:

	<u>Receivables</u>	<u>Payables</u>
General	\$111,976	\$ -
Trust and Agency	-	2,234
Current Tax	-	<u>109,742</u>
<u>Totals</u>	<u>\$111,976</u>	<u>\$111,976</u>

TOWNSHIP OF EATON
MANAGEMENT'S DISCUSSION AND ANALYSIS

March 31, 2005

New Financial Reporting

Starting with fiscal year 2004-2005 the Township of Eaton, Michigan (the "Township") has revised and improved its financial reporting document. These changes are a result of standards set by the Governmental Accounting Standards Board (GASB). The intent of these new standards is to provide citizens, taxpayers, customers, and investors with a better understanding of how the Township's money and other assets are managed.

The new standards set by GASB are intended to give the reader of this annual financial report a better understanding of the financial status of the Township. The new standards introduce accounting rules and systems that are common in the private sector. This report presents a much broader picture of the Township's financial status. Through this comprehensive reporting of assets and liabilities, the reader should have a greater understanding of the Township's financial health.

The discussion and analysis of the Township's financial performance provides an overview of the Township's financial activities for the fiscal year ended March 31, 2005. Please read it in conjunction with the Township's financial statements.

Financial Highlights

As discussed in further detail in this discussion and analysis, the following represents the most significant financial highlights for the year ended March 31, 2005:

Property tax revenues increased approximately \$4,369 from the prior year. The increase is the net result of increasing valuations in the Township.

Total fund balances related to the Township's governmental funds increased by \$11,359.

Using this Annual Report

This annual report consists of a series of financial statements. The statement of new assets and the statement of activities provide information about the activities of the Township of Eaton as a whole and present a longer-term view of the Township's finances. This longer-term view uses the accrual basis of accounting so that it can measure the cost of providing government services.

The fund financial statements present a short-term view; they tell us how the taxpayers' resources were spent during the year, as well as how much is available for future spending. Fund financial statements also report the operations of the Township of Eaton in more detail than the government-wide financial statements by providing information about the Township's most significant funds. The fiduciary fund statements provide financial information about activities for which the Township of Eaton acts solely as a trustee or agent for the benefit of those outside the government.

The following table shows the changes in net assets during the current year. Future reports will provide comparative data for the statement of activities. Comparative data is not required during the first year of reporting under requirements of GASB Statement No. 34.

TOWNSHIP OF EATON
MANAGEMENT'S DISCUSSION AND ANALYSIS

March 31, 2005

Using this Annual Report (Cont'd)

Revenue

Program revenue:

Charges for services	\$ 16,793
Licenses and permits	12,459

General revenue:

Property taxes	151,621
State shared revenue	277,718
Investment earnings	28,237
Other revenue	<u>2,219</u>

Total revenue	489,047
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Program Expenses

General government	172,180
Public safety	75,048
Public works	203,038
Health and welfare	8,976
Culture and recreation	21,000
Capital outlay	<u>5,820</u>

Total program expenses	<u>486,062</u>
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Change in Net Assets	<u>\$ 2,985</u>
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Governmental Activities

The Township's governmental revenues totaled \$489,047 with the greatest revenue source being state shared revenue. Property taxes make up approximately 31.0% percent of total governmental revenue. Over the past few years, state shared revenue and interest income have both declined.

The Township incurred expenses of \$486,062 during the year.

General Fund Budgetary Highlights

Over the course of the fiscal year, the Township board made necessary budget adjustments to fund unanticipated expenditures during the year. Most departments came in under budget at year end, an overall favorable variance approximately \$753,384 from budget.

Current Economic Factors

Revenue sharing is the most significant budgetary concern at this time. The State of Michigan is experiencing significant budget problems, and as they look for solutions, revenue sharing continues to be under attack.

Contacting the Township's Management

This financial report is intended to provide our citizens, taxpayers, customers, and investors with a general overview of the Township's finances and demonstrate the Township's accountability for the money it receives. If you have questions about this report or need additional information, we welcome you to contact the Township Board.

TOWNSHIP OF EATON
GENERAL FUND

BALANCE SHEET

March 31, 2005 and 2004

	<u>3/31/05</u>	<u>3/31/04</u>
<u>Assets</u>		
Cash in bank - checking	\$ 144,474.45	\$ 273,825.17
Certificates of deposit	621,060.17	603,503.07
Investments	821,823.09	813,360.16
Delinquent taxes receivable	7,348.73	5,629.37
Accounts receivable	53,510.76	-
Interest receivable	3,346.57	1,696.66
Due from other funds	111,976.34	7,199.15
	<u>111,976.34</u>	<u>7,199.15</u>
<u>Total Assets</u>	<u>\$ 1,763,540.11</u>	<u>\$ 1,705,213.58</u>
<u>Fund Balance</u>		
Unreserved	<u>1,763,540.11</u>	<u>1,705,213.58</u>

See accompanying notes to financial statements.

TOWNSHIP OF EATON
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL

Year Ended March 31, 2005
With comparative Totals for Year Ended March 31, 2004

	3/31/05		Variance- Favorable (Unfavorable)	3/31/04
	<u>Budget</u>	<u>Actual</u>		
<u>Revenues</u>				
Taxes:				
Current property tax		\$ 85,699.66		\$ 82,899.13
Other taxes - P.A. 425		36,312.00		37,649.86
Penalties and interest		-		6.86
Property tax adm. fees		<u>29,609.22</u>		<u>26,696.32</u>
Total Taxes	\$ 109,750.00	151,620.88	\$ 41,870.88	147,252.17
Licenses and permits:				
Cable TV franchise fees	10,000.00	12,459.34	2,459.34	11,910.24
State grants:				
State revenue sharing	173,700.00	277,718.00	104,018.00	286,808.00
Charges for services:				
Collection fees		5,057.50		5,109.00
Fire runs		2,333.35		2,500.00
Land division fees		2,150.00		2,350.00
Sales of cemetery lots		1,250.00		-
Sales - miscellaneous		<u>6,001.82</u>		<u>181.58</u>
Total Charges for Services	4,000.00	16,792.67	12,792.67	10,140.58
Miscellaneous:				
Interest earned		28,237.03		24,999.00
Assessments-street lighting		1,517.00		1,550.30
Refunds and other		<u>702.25</u>		<u>21.15</u>
Total Miscellaneous	<u>18,000.00</u>	<u>30,456.28</u>	<u>12,456.28</u>	<u>26,570.45</u>
<u>Total Revenues</u>	\$ 315,450.00	\$ 489,047.17	\$ 173,597.17	\$ 482,681.44

TOWNSHIP OF EATON
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL

Year Ended March 31, 2005
With Comparative Totals for Year Ended March 31, 2004

	<u>3/31/05</u>		<u>Variance- Favorable (Unfavorable)</u>	<u>3/31/04</u>
	<u>Budget</u>	<u>Actual</u>		<u>Actual</u>
<u>Expenditures</u>				
Township board:				
Salaries		\$ 3,905.00		\$ 2,750.00
Supplies		1,452.03		831.82
Computer support		5,553.21		1,577.92
Dues and memberships		2,184.38		2,123.72
Printing and publishing		248.98		218.75
Seminars		2,594.34		-
Miscellaneous		48.54		1,115.00
Total Township Board	\$ 18,000.00	15,986.48	\$ 2,013.52	8,617.21
Supervisor:				
Salaries		9,424.92		9,424.92
Postage		777.00		778.50
Land division expenses		825.00		650.00
Total Supervisor	11,625.00	11,026.92	598.08	10,853.42
Elections:				
Salaries		3,194.00		-
Supplies		1,796.12		-
Printing and publishing		886.46		-
Total Elections	6,200.00	5,876.58	323.42	-
Assessor:				
Salaries		75.00		-
Contracted services		14,349.96		14,349.96
Transportation		2,076.85		-
Total Assessor	16,350.00	16,501.81	(151.81)	14,349.96
<u>Forward</u>	\$ 52,175.00	\$ 49,391.79	\$ 2,783.21	\$ 33,820.59

TOWNSHIP OF EATON
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL

Year Ended March 31, 2005
With Comparative Totals for Year Ended March 31, 2004

	3/31/05		Variance-	3/31/04
	<u>Budget</u>	<u>Actual</u>	<u>Favorable</u> <u>(Unfavorable)</u>	<u>Actual</u>
<u>Forwarded</u>	\$ 52,175.00	\$ 49,391.79	\$ 2,783.21	\$ 33,820.59
<u>Expenditures (cont'd)</u>				
Attorney:				
Professional services	5,000.00	-	5,000.00	903.00
Clerk:				
Salaries - clerk		21,000.00		21,000.00
Salaries - deputy & clerical		5,463.62		4,075.75
Supplies		447.43		179.03
Postage		353.35		200.49
Transportation		345.28		-
Printing and publishing		1,445.66		1,012.53
Total Clerk	30,100.00	29,055.34	1,044.66	26,467.80
Audit:				
Professional services	1,850.00	1,850.00	-	1,750.00
Board of review:				
Salaries		1,575.00		787.50
Printing and publishing		309.82		78.50
Total Board of Review	1,900.00	1,884.82	15.18	866.00
Treasurer:				
Salaries - treasurer		21,000.00		21,000.00
Salaries - deputy and clerical		4,140.25		5,218.37
Office supplies		288.88		116.66
Postage		1,480.00		1,480.00
Treasurer - Forward		\$ 26,909.13		\$ 27,815.03

TOWNSHIP OF EATON
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL

Year Ended March 31, 2005
With Comparative Totals for Year Ended March 31, 2004

	3/31/05		Variance- Favorable (Unfavorable)	3/31/04
	<u>Budget</u>	<u>Actual</u>		<u>Actual</u>
Treasurer - Forwarded		\$ 26,909.13		\$ 27,815.03
<u>Expenditures (cont'd)</u>				
Treasurer:				
Transportation		1,552.36		541.44
Miscellaneous		-		199.40
Total Treasurer	\$ 30,500.00	28,461.49	\$ 2,038.51	28,555.87
Hall and grounds:				
Utilities		5,665.90		4,998.75
Repairs and maintenance		6,037.03		7,218.29
Total Hall and Grounds	17,500.00	11,702.93	5,797.07	12,217.04
Cemetery:				
Salaries		550.00		7,550.00
Repairs and maintenance		7,196.96		-
Miscellaneous		120.00		930.78
Total Cemetery	10,250.00	7,866.96	2,383.04	8,480.78
Other general government:				
Miscellaneous	13,700.00	185.09	13,514.91	143.75
Fire:				
Contracted services	75,500.00	75,047.50	452.50	67,344.82
Drain at large:				
County drain tax	9,000.00	8,949.83	50.17	8,213.90
Forward	\$ 247,475.00	\$ 214,395.75	\$ 33,079.25	\$ 188,763.55

TOWNSHIP OF EATON
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL

Year Ended March 31, 2005
With Comparative Totals for Year Ended March 31, 2004

	<u>3/31/05</u>		<u>Variance- Favorable (Unfavorable)</u>	<u>3/31/04</u>
	<u>Budget</u>	<u>Actual</u>		<u>Actual</u>
Forwarded	\$ 247,475.00	\$ 214,395.75	\$ 33,079.25	\$ 188,763.55
<u>Expenditures</u> (cont'd)				
Highway and streets:				
Contracted services		192,564.07		335,823.83
Street lighting		1,523.74		1,514.54
Total Highways and Streets	725,000.00	194,087.81	530,912.19	337,338.37
Ambulance:				
Contracted services	9,000.00	8,976.00	24.00	2,000.00
Recreation and cultural:				
Contribution - Senior Center		-		10,000.00
Other contributions		21,000.00		2,250.00
Total Recreation and Cultural	25,000.00	21,000.00	4,000.00	12,250.00
Other functions:				
Social security tax and pensions		24,564.28		2,925.13
Insurance and bonds		8,844.00		7,926.00
Total Other Functions	41,000.00	33,408.28	7,591.72	10,851.13
Capital outlay:				
Cemetery land		-		
Equipment		5,820.56		2,500.00
Total Capital Outlay	10,000.00	5,820.56	4,179.44	2,500.00
Total Expenditures - Forward	\$ 1,057,475.00	\$ 477,688.40	\$ 579,786.60	\$ 553,703.05

TOWNSHIP OF EATON
GENERAL FUND

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL**

Year Ended March 31, 2005
With Comparative Totals for Year Ended March 31, 2004

	<u>3/31/05</u>		<u>Variance- Favorable (Unfavorable)</u>	<u>3/31/04 Actual</u>
	<u>Budget</u>	<u>Actual</u>		
Total Expenditures - Forward	<u>\$ 1,057,475.00</u>	<u>\$ 477,688.40</u>	<u>\$ 579,786.60</u>	<u>\$ 553,703.05</u>
Excess (Deficiency) of Revenues over Expenditures	(742,025.00)	11,358.77	753,383.77	(71,021.61)
Fund Balance, April 1	1,705,213.58	1,705,213.58	-	1,776,235.19
Adjustments to Beginning Balance	<u>-</u>	<u>46,967.76</u>	<u>46,967.76</u>	<u>-</u>
<u>Fund Balance, March 31</u>	<u>\$ 963,188.58</u>	<u>\$ 1,763,540.11</u>	<u>\$ 800,351.53</u>	<u>\$ 1,705,213.58</u>

See accompanying notes to financial statements.

TOWNSHIP OF EATON
AGENCY FUNDS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

Year Ended March 31, 2005

	<u>Balance 4/1/04</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 3/31/05</u>
Current Tax Fund				
Assets:				
Cash	\$ 1,937.27	\$ 2,870,924.66	\$ 2,726,025.89	\$ 146,836.04
Due from state	3,028.00	(3,028.00)	-	-
Due from library	6,022.97	(6,022.97)	-	-
Total Assets	<u>\$ 10,988.24</u>	<u>\$ 2,861,873.69</u>	<u>\$ 2,726,025.89</u>	<u>\$ 146,836.04</u>
Liabilities:				
Due to county	\$ -	\$ 778,442.58	\$ 741,349.00	\$ 37,093.58
Due to schools	6,022.97	1,291,347.92	1,297,370.89	-
Due to state	-	583,086.31	583,086.31	-
Due to library	-	82,781.99	82,781.99	-
Due to general fund	4,965.27	114,686.35	9,909.16	109,742.46
Due to others	-	11,528.54	11,528.54	-
Total Liabilities	<u>\$ 10,988.24</u>	<u>\$ 2,861,873.69</u>	<u>\$ 2,726,025.89</u>	<u>\$ 146,836.04</u>
Trust and Agency Fund				
Assets:				
Cash	\$ 2,233.88	\$ 527.50	\$ 527.50	\$ 2,233.88
Liabilities:				
Due to county	\$ -	\$ 147.36	\$ 147.36	\$ -
Due to general fund	2,233.88	48.04	48.04	2,233.88
Due to schools	-	322.49	322.49	-
Due to library	-	9.61	9.61	-
Total Liabilities	<u>\$ 2,233.88</u>	<u>\$ 527.50</u>	<u>\$ 527.50</u>	<u>\$ 2,233.88</u>
Total All Agency Funds				
Assets:				
Cash	\$ 4,171.15	\$ 2,871,452.16	\$ 2,726,553.39	\$ 149,069.92
Due from state	3,028.00	(3,028.00)	-	-
Due from library	6,022.97	(6,022.97)	-	-
Total Assets	<u>\$ 13,222.12</u>	<u>\$ 2,862,401.19</u>	<u>\$ 2,726,553.39</u>	<u>\$ 149,069.92</u>
Liabilities:				
Due to county	\$ -	\$ 778,589.94	\$ 741,496.36	\$ 37,093.58
Due to schools	6,022.97	1,291,670.41	1,297,693.38	-
Due to state	-	583,086.31	583,086.31	-
Due to library	-	82,791.60	82,791.60	-
Due to general fund	7,199.15	114,734.39	9,957.20	111,976.34
Due to others	-	11,528.54	11,528.54	-
Total Liabilities	<u>\$ 13,222.12</u>	<u>\$ 2,862,401.19</u>	<u>\$ 2,726,553.39</u>	<u>\$ 149,069.92</u>

See accompanying notes to financial statements.

**TOWNSHIP OF EATON
CURRENT TAX FUND**

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

Year Ended March 31, 2005

<u>Balance, April 1</u>		\$ 10,988.24
<u>Receipts</u>		
Current property taxes and assessments	\$ 2,842,195.16	
Dog licenses	1,835.00	
Property tax administration fees	5,898.05	
Interest on investments	416.94	
Overpayment of taxes	<u>11,528.54</u>	
Total Receipts		<u>2,861,873.69</u>
Total Receipts and Balance, April 1		2,872,861.93
<u>Disbursements</u>		
Eaton County	741,349.00	
State of Michigan	583,086.31	
Charlotte Public Schools	854,193.80	
Eaton Rapids Public Schools	66,474.24	
Eaton Intermediate Schools	376,702.85	
General Fund	9,909.16	
Charlotte Library	82,781.99	
Refund of overpaid taxes	<u>11,528.54</u>	
Total Disbursements		<u>2,726,025.89</u>
<u>Balance, March 31</u>		<u>\$ 146,836.04</u>

See accompanying notes to financial statements.

**TOWNSHIP OF EATON
TRUST AND AGENCY FUND**

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

Year Ended March 31, 2005

<u>Balance, April 1</u>		\$ 2,233.88
<u>Receipts</u>		
Delinquent property taxes		<u>527.50</u>
Total Receipts and Balance, April 1		2,761.38
<u>Disbursements</u>		
Eaton County (Including SET)	147.36	
General Fund	48.04	
Charlotte Public Schools	279.13	
Eaton Intermediate Schools	43.36	
Charlotte Library	<u>9.61</u>	
Total Disbursements		<u>527.50</u>
<u>Balance, March 31</u>		<u>\$ 2,233.88</u>

See accompanying notes to financial statements.